

CENTRAL INTELLIGENCE AGENCY

REPORT NO.

# INFORMATION REPORT

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COUNTRY **Ecuador**

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SUBJECT. Political Unrest in Ecuador

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SUPPLEMENT TO  
REPORT NO:

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1. Opposition to Galo Plaza in Ecuador has been increasing appreciably since he took office on 1 September 1948.
2. The Communists are reported to have decided to take advantage of Plaza's statement that he would not declare the Party illegal. They are accordingly endeavoring to organize all political opposition to Plaza into a solid coalition, and to organize a series of paralyzing labor strikes.
3. On 31 August 1948, it was learned that the directors of the Vanguardia Revolucionaria Socialista Ecuatoriana (VRSE), radical Socialist and pro-Communist party, had prepared to purchase a second-hand printing press in Lima, Peru, for the publication in Ecuador of anti-Plaza propaganda. Carlos Guevara Moreno, former Minister of Government under Dr. Velasco Ibarra, was said to be the VRSE leader in Guayaquil who would devote himself to the task of organizing political opposition against Plaza in the Guayaquil area.
4. During the first week in September, Communist leaders in Quito made strenuous efforts to form a coalition with the VRSE, left-wing Socialists, and radical Liberals. They spread the rumor that Plaza was going to make many changes in the Government's personnel, hoping thereby to create discontent. The Communists also capitalized on the growing discontent of many Socialist and Liberal members who felt that their parties had not received what they felt to be a just share of government posts. Both themes were favorably received, although no concrete steps were taken towards forming a coalition. The Communists have also stated boldly that the Plaza administration could not be expected to remain in office for more than six months.
5. Upon his return to Quito from Guayaquil on 4 September following the inauguration of the President, Dr. Antonio Parra Velasco, pro-Communist Minister of Foreign Relations under Arosemena, immediately set to work on plans for his own candidacy for the presidency. He appointed some of his friends to form an unofficial committee which would sponsor this candidacy. He expects to find support from the present opposition groups. Parra Velasco has told his intimate friends, including Communists, that he did not expect

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Plaza to fulfill his term of office.

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6. During the week of 8 to 14 September 1948, it was reported that the discontent against the Plaza administration appeared to have increased considerably. Leaders of the Movimiento Civico Democratico Nacional (MCDN), Gale Plaza's Party, were revealing this growing discontent particularly. They had expected that Plaza would give particular attention and preference to his own party, and especially to those leaders who had worked the hardest to bring about his accession to power. These leaders stated that the MCDN was the only real political strength behind Plaza and that, if he neglected this group, he would find himself completely abandoned by all political parties. The MCDN leaders feel that they have been betrayed by Plaza who has been filling most government posts with persons who contributed very little if anything to his election. These MCDN leaders have formed small opposition groups and claim that the Party as such is slowly disintegrating.

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7. Within the Directorship of the MCDN, many leaders complain that Plaza, aside from ignoring the Party on political appointments, has been rude and abrupt with many of his followers. An example of this treatment occurred on 10 September 1948 when a delegation of the MCDN Committee, Province of Imbabura, requested an interview with Plaza in order to recommend a person for the post of Chief of Seguridad in the province. The President kept the delegation waiting for several days, and then referred it to the Minister of Government who dismissed the group summarily and brusquely. After this experience, the head of the delegation, who had been the leader of the MCDN in the Province of Imbabura, informed others of the Party in Quito that, from that moment on, he would do all he could to promote the fall of Plaza and his Minister of Government.

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8. On 11 September 1948, the leading members of the MCDN in Quito held a closed meeting in a private residence in order to discuss trends within the Party. During this meeting, many accusations of betrayal were hurled at Plaza and there was open talk of displacing him. One member mentioned the strength of the Party in Quito among the public and in the Army, stating that once convinced of Plaza's betrayal they would be sufficiently strong to put him out of office. Another member suggested that the difficulty might be caused by the fact that, as long as the National Congress was in session, Plaza had to be careful not to appoint too many from his own party, to avoid Congressional objections. It was finally agreed that all opposition within the Party should be restrained until after Congress had adjourned, in order to judge Plaza's attitude toward the Party when free from restrictions. It was also agreed that a delegation be appointed to go to Plaza to explain the critical situation which existed within the MCDN.

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9. This delegation had a long conference with the President, who received the delegation in a friendly spirit and listened to their complaints. He then explained that he was not responsible for the appointments made by his ministers, but that he would speak to them to remedy the situation. Plaza added that he contemplated inviting all his MCDN friends to his hacienda for a confidential conference. Plaza then stated in a warning manner that they should keep in mind, clearly, that there were not governmental positions for everyone.
10. Party leaders were dissatisfied with the results of the meeting, and arranged another conference for 17 September. At this second meeting, the President was presented with a list of appointments which the Party demanded as its share in the Government. This list had been prepared by leaders in Quito and it was signed by fifty presidents of local committees. Plaza is

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reported to have stated, "It is true that the Government helped me get into power, but I am not married to it. I must work with all the patriots of the country and not just with one political party." After a brief discussion of the subject, one delegate said that the delegation was planning to make the MCDN a permanent political party, to which Plaza is said to have replied, "That is up to you."

11. This delegation returned to its headquarters completely deflated, since it had stated everything on this show of force but had accomplished nothing. Plaza's reactions were very discouraging to the Party leaders.
12. In the evening of 17 September, a meeting of about fifty members was held in the MCDN headquarters in Quito. Luis Maldonado Tamayo, figurative head of the Party, gave a long talk on the situation and the Party's efforts to work with Plaza, and concluded his remarks by saying that, from that moment on, he would lend the opposition to Plaza, and requested those members who would be with him to stand up. Only ten stood to be counted. In private discussion following the meeting, Maldonado was counseled by many of his followers that the time was not opportune, because the people in general were still unaware of any opposition to Plaza. There was also some doubt of whether the Army element could yet be counted upon to waver from its support of the President.
13. Immediately following the conference between MCDN leaders and Plaza on 17 September, Plaza extended an invitation to all political parties, including the MCDN, to present their plans and programs and to attend a series of conferences with him in order to work toward greater cooperation with the Government. This invitation was not favorably received by the MCDN, which felt that Plaza was now trying to gain support from the Liberal, Socialist, and Conservative Parties, all of which he had helped render impotent during the elections by organizing the MCDN from all the parties mentioned. The MCDN was told that it should present a program and that it would receive the same consideration as did the other parties.
14. The opposition forces within the MCDN began to collect money for their anti-Plaza program, and Luis Maldonado Tamayo assumed the leadership of the opposition group and was given a salary to work on. He has approached the Socialist Party, to which he formerly belonged and is currently discussing ways and means of forming a coalition against the Government. The Socialist Party reacted immediately and, on 19 September, dispatched special delegations to contact the Party's factions throughout the country. The outward mission of these delegates is to strengthen the Party and to do cultural work. It is reported that their mission is actually to organize for a "social revolution". Although it is generally believed that the Socialist Party is without funds, it promptly appointed the above delegates and provided them with both travelling expenses and sixty sucres a day.
15. During the evening of 19 September, a meeting was held between Communist and Socialist leaders in Quito in which the subjects of collaboration against the Government and cooperation in conducting strikes were discussed. The leaders finally came to an agreement in principle, the details of which are not available at the moment.
16. It is reported that the opposition is working quickly and energetically within the armed forces and the Guardia Civil. It anticipates that the month of October 1943 will present the best opportunity for a revolt, as all of the conscripts will have left the Army, and the Guardia Civil, where the opposition has its greatest support, will be at its strongest ratio with the Army. On 18 and 19 September, several conferences were held by opposition factions, seeking to form a coalition of Liberal, Socialist, and Communist Parties.

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The MCDN, from all practical considerations, is so badly split at this time that it is rendered ineffective and may scarcely be called a political entity.

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~~CONFIDENTIAL~~ Comment: Although the public is generally unaware of the situation and is apparently satisfied with the Plaza administration, it is apparent that a fairly large opposition is forming rapidly against the administration. Funds are being collected and from unknown sources. It is pointed out that Galo Plaza came into power through a very close margin and is apparently rapidly losing the support of his own MCDN party. The Conservative Party, the strongest party in Ecuador, is not believed to be participating in the opposition to Plaza, since it is reported to be content with its position.)

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